



General Assembly

January Session, 2013

***Raised Bill No. 852***

LCO No. 3009



Referred to Committee on HUMAN SERVICES

Introduced by:  
(HS)

***AN ACT CONCERNING NURSING HOME OVERSIGHT AND  
COMMUNITY-BASED PLACEMENTS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-339 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) There is established a Nursing Home Financial Advisory  
4 Committee to examine the financial solvency of nursing homes on an  
5 ongoing basis and to support the Departments of Social Services and  
6 Public Health in their mission to provide oversight to the nursing  
7 home industry on issues concerning the financial solvency of and  
8 quality of care provided by nursing homes. The committee shall  
9 consist of the following members or their designees: The  
10 Commissioner of Social Services; [, or his designee;] the Commissioner  
11 of Public Health; [, or his designee;] the Secretary of the Office of  
12 Policy and Management; [, or his designee;] the executive director of  
13 the Connecticut Health and Education Facilities Authority; [, or his  
14 designee; the president of LeadingAge Connecticut, Inc. or the  
15 president's designee; and the executive director of the Connecticut

16 Association of Health Care Facilities, or the executive director's  
17 designee] the Long-Term Care Ombudsman; and two members  
18 appointed by the Governor, one of whom shall be a representative of  
19 not-for-profit nursing homes and one of whom shall be a  
20 representative of for-profit nursing homes. The Commissioner of Social  
21 Services [or his designee] and the Commissioner of Public Health or  
22 [his] their [designee] designees shall be the chairpersons of the  
23 committee.

24 (b) The committee, upon receipt of a report relative to the financial  
25 solvency of and quality of care provided by nursing homes in the state,  
26 shall recommend appropriate action for improving the financial  
27 condition of any nursing home that [is in financial distress] may have  
28 insufficient resources to meet its operating costs to the Commissioner  
29 of Social Services and the Commissioner of Public Health. The  
30 Commissioner of Social Services shall submit quarterly reports to the  
31 committee concerning pending nursing home requests for interim rate  
32 increases. Such reports shall, without identifying any requesting  
33 facility by name, list the amount of each increase requested, the reason  
34 for the request and the rate that will result if the request is granted.

35 (c) Not later than January 1, 2010, and annually thereafter, the  
36 committee shall submit a report on its activities to the joint standing  
37 committees of the General Assembly having cognizance of matters  
38 relating to aging, appropriations and the budgets of state agencies,  
39 human services and public health, [and to the select committee of the  
40 General Assembly having cognizance of matters relating to aging,] in  
41 accordance with the provisions of section 11-4a.

42 (d) Not later than [January 1, 2010] October 1, 2013, and [quarterly]  
43 annually thereafter, the committee shall meet with the chairpersons  
44 and ranking members of the joint standing committees of the General  
45 Assembly having cognizance of matters relating to appropriations and  
46 the budgets of state agencies, human services and public health, and  
47 the Long-Term Care Ombudsman to discuss activities of the committee

48 relating to the financial solvency of and quality of care provided by  
49 nursing homes.

50 Sec. 2. (NEW) (*Effective from passage*) (a) For purposes of this section,  
51 "nursing home facility" has the same meaning as provided in section  
52 19a-521 of the general statutes.

53 (b) Not later than March 1, 2014, and annually thereafter, the  
54 Department of Social Services shall review the census for the preceding  
55 year taken on a bimonthly basis of each licensed nursing home facility.  
56 Upon the request of the department, any nursing home facility with an  
57 occupancy rate less than eighty-five per cent for three or more  
58 consecutive months shall provide, not later than thirty days after such  
59 request, profit and loss statements, accounts payable, debt or mortgage  
60 payments and any other cost report information that the department  
61 deems necessary, including, but not limited to, accounts payable by  
62 vendor and by days outstanding, cash flow statements, and details on  
63 lending and borrowing agreements in a format prescribed by the  
64 department. The department may reduce a nursing home facility's rate  
65 by up to ten per cent if the facility fails to provide the information  
66 requested pursuant to this subsection.

67 (c) The Commissioner of Social Services may provide a copy of any  
68 report compiled by the department pursuant to subsection (b) of this  
69 section to the Nursing Home Financial Advisory Committee,  
70 established under section 17b-339 of the general statutes, as amended  
71 by this act.

72 Sec. 3. Subsection (b) of section 17b-352 of the general statutes is  
73 repealed and the following is substituted in lieu thereof (*Effective from*  
74 *passage*):

75 (b) Any facility which intends to (1) transfer all or part of its  
76 ownership or control prior to being initially licensed; (2) introduce any  
77 additional function or service into its program of care or expand an  
78 existing function or service; or (3) terminate a service or decrease

79 substantially its total bed capacity, shall submit a complete request for  
80 permission to implement such transfer, addition, expansion, increase,  
81 termination or decrease with such information as the department  
82 requires to the Department of Social Services, provided no permission  
83 or request for permission to close a facility is required when a facility  
84 in receivership is closed by order of the Superior Court pursuant to  
85 section 19a-545. The Commissioner of Social Services and the Office of  
86 the Long-Term Care Ombudsman pursuant to section 17b-400 shall be  
87 notified by the facility [of any proposed actions pursuant to this  
88 subsection at the same time the request for permission is submitted to  
89 the department and when a facility in receivership is closed by order of  
90 the Superior Court pursuant to section 19a-545] in writing at least  
91 thirty days prior to the facility submitting a letter of intent to the  
92 department for a certificate of need application pursuant to subsection  
93 (c) of this section. Upon such notice, any such facility shall allow the  
94 Department of Social Services to evaluate each resident of the facility  
95 to determine which residents may be eligible to transition to a  
96 community-based setting pursuant to section 17b-369.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	17b-339
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	17b-352(b)

***Statement of Purpose:***

To give the Department of Social Services a means to identify in advance nursing homes in danger of bankruptcy, receivership or closure and to assist eligible residents to move into a community-based setting.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*